

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

JAN 27 2009

Sublease Serial No.

LC 069641

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

\$

SUBMIT IN TRIPLICATE - Other instructions on reverse side

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------|
| 1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other | | 6 If Indian, Allottee or Tribe Name |
| 2. Name of Operator Nordstrand Engineering Inc. | | 7 If Unit or CA/Agreement, Name and/or No West Henshaw Premier Unit Trk 6 |
| 3a. Address 3229 D'Amico St. # 2200 Houston, TX 77019 | 3b. Phone No. (include area code) 713 520 1555 | 8 Well Name and No W Henshaw Premier Unit Trk6 #1 |
| 4 Location of Well (Footage Sec., T, R., M., or Survey Description) Unit Letter M, 330 FSL & 660 FEL Sec. 3, T-16-S, R-30-E, Eddy Co. | | 9 API Well No 30-015-03840 |
| | | 10 Field and Pool, or Exploratory Area West Henshaw Grayburg |
| | | 11 Country or Parish, State EDDY COUNTY, NM |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|------------------------------------------------------|-----------------------------------------------|------------------------------------------------------|----------------------------------------------------|-----------------------------------------|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other _____ |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Request approval to P&A. Open hole 2825-2840
10 3/4 @ 425 w/ 75 sx circ.
8 5/8 @ 2155 mudded with 20 sx
5 1/2 2825 w/ 100 sx

ACCEPTED FOR RECORD

JAN 27 2009

Gerry Guyo, Deputy Field Inspector
NMOCD-District II ARTESIA

- MIRU BCM Plugging Company
- Set CIBP @ 2750' and cap w/ 35' cement using dump bailer or spot 25 sx plug on top of CIBP.
- Spot 30 sx cement @ 2295 to 2000'. Covers 8 5/8 shoe and top of Queen.
- Perf. 5 1/2 csg. @ 1175', sqz. w/ adequate cement to fill from 1175' - 1065'. WOC and tag. (Covers base of salt).
- Perf. 5 1/2 csg. @ 475'. Sqz. w/ adequate cement to fill from 475' to 340'. (10 3/4 shoe and top of salt). WOC and tag.
- Spot adequate cement to fill 5 1/2 csg. form 60' to surface. Cut off well head and fill annulus as needed.
- Install Dry Hole Marker.

* See attached COA's
Records indicate 8 5/8 pulled

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14 I hereby certify that the foregoing is true and correct.
Name (Printed Typed)

Ben Montgomery

Title **Agent**

Signature *Ben Montgomery*

Date **1-22-09**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title _____
Office _____

APPROVED
Date **JAN 23 2009**
JAMES A. AMOS
SUPERVISOR-EPS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Nordstrand Engineering Inc.
NMLC069641: West Henshaw Premier Unit TR 6-1
330' FSL & 660' FWL Sec. 3, T16S-R30E
Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

Step 3. Spot 30 sx cement from 2205'-2085' (covers the 8-5/8" shoe and top of Queen formation).

Step 4. Perforate 5-1/2" and 8-5/8" casings @ 1250', squeeze with adequate cement to fill 110' in/out of both casings (covers the base of salt). WOC and tag no lower than 1140'.

Step 5. Perforate 5-1/2" and 8-5/8" casings @ 475', squeeze with adequate cement to fill 140' in/out of both casings (covers the top of salt and the 10-3/4" shoe). WOC and tag no lower than 335'.

Step 6. Perforate 5-1/2", 8-5/8" and 10-3/4" casings @ 60', circulate cement to fill all casings to surface. Cut off well head and fill annulus as needed.

See attached standard COA's.

James A. Amos
575-234-5909

1/23/09

HOLE SIZE _____

75 SX

J-55 32 #

CASING SIZE 1D3/4

TD 425

HOLESIZE _____

Pulled
J-55 24 #

CASING SIZE 8 5/8

TD 2155

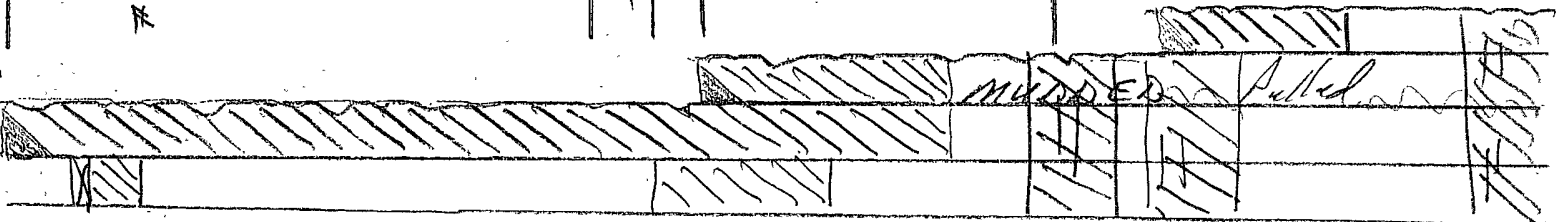
HOLE SIZE 2.875

100 SX

J-55 15.5 #

CASING SIZE 5 1/2

TD 2825



SALT SECTIONS TOP 385

BASE / 200

RIMP ✓

Pine
LO' part

CAVE / KARST ✓

SPEC. WATER ✓

335 TDC SWRP 75 SX

500 INT Mud

Art 475 PRD 100 SX

1140 wood Tag

500

1250 Part FORMATIONS 1359

Die 2137

58 2520

Meds 2652

PR 2822

2085

2205

DVT _____

PERFORATIONS 2838-2863

open hole

CIPA
2750
Cap up
35' (DB)
or
255X
Plug

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.